

RE: LTEP note - sober second thought

From: "Moore, Karen (CAB)" <"o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=moore, karen (cab)339">
To: "Greenberg, Martha (CAB)" <"o=govon/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=greenberg, martha (cab)3ff">
Cc: "Downarowicz, Ewa (CAB)" <ewa.downarowicz2@ontario.ca>
Date: Tue, 18 Jul 2017 12:18:38 -0400
Attachments: 2017-07-17- CBN- LTEP- Draft- v4 clean for fact check.docx (272.9 kB)

Sorry, hit send too fast. Attached is the full note and below the list of ministries who will review:

MOECC, MTO, MMA, MRIS, MEDG, MIT, MIRR, MHO, MOI, MOF, Co Comms, TBS.

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From: Moore, Karen (CAB)
Sent: July 18, 2017 12:16 PM
To: Greenberg, Martha (CAB)
Cc: Downarowicz, Ewa (CAB)
Subject: LTEP note - sober second thought

Hi Martha,

I am preparing the LTEP note to go back to Energy for final review, as well as to partner ministries for fact check / review. Would appreciate your review of the risks / considerations section as it is new from the note you previously reviewed. I considered having an overall risk related to stakeholder attention / scrutiny, but I thought it would be duplicative of the text in the rate and climate change risks. Feedback welcome, and copying Ewa for her advice as well, particularly on the climate change piece.

Rate Impacts – The proposed 2017 LTEP contains a suite of policy initiatives that will have short and long term impacts on the electricity system, including electricity rates. For many of these initiatives the rate impacts are presumed to be neutral or result in a net reduction of rates, however, analysis has not yet been done to quantify the impact. The ministry will continue to monitor the rate impacts of existing and new energy programs and consider such impacts in the context of commitments made under the OFHP and the requirements of the OFHPA.

Climate Change - It is anticipated that there will be increased public interest in the 2017 LTEP over previous plans given the connection to Ontario's Climate Change Strategy and Climate Change Action Plan. The plan includes implementation of several commitments made under the CCAP, including the expansion of the Green Button program, however, it is expected that the plan will be reviewed by some stakeholders to assess consistency with the government's commitments under the CCAP. In some cases (e.g., GHG standards for water and wastewater facilities), the ministry is not proposing to implement CCAP initiatives as originally envisioned. In addition, it is expected that the demand and supply outlooks laid out in the LTEP will be scrutinized to assess consistency with the government's overall GHG emission reduction targets.

Implementation / Delivery – Unlike previous LTEPs, the 2017 LTEP sets out high level policy goals and objectives, leaving the Independent Electricity System Operator (IESO) and Ontario Energy Board (OEB) flexibility to implement the plan. This approach is consistent with the requirements under the *Electricity Act, 1998*, however, it means that the specific details and impacts of the proposed plan are

not finalized at the point in time the government approves and releases the LTEP. Energy will work closely with the IESO and the OEB to ensure consistent and appropriate implementation of the plan, according to the directives set out by the Minister of Energy and approved by Cabinet.

Thanks,
Karen

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